RECORD
AND
BRIEFS

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Nos. 17-71, 17-74

IN THE

Supreme Court of the United States

WEYERHAEUSER CO.,

Petitioner,

v.

UNITED STATES FISH AND WILDLIFE SERVICE, ET. AL.,

Respondents,

MARKLE INTERESTS, LLC, ET AL.,

Petitioners,

v.

UNITED STATES FISH AND WILDLIFE SERVICE, ET. AL.,

Respondents,

On Petition for Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit

BRIEF FOR THE CATO INSTITUTE AS *AMICUS CURIAE* SUPPORTING THE MARKLE INTERESTS PETITION FOR CERTIORARI

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QUESTIONS PRESENTED

The petition presents two questions for review:

1. Can 1,500 acres of private land that isn't used or occupied by a species really be considered "critical habitat" that is "essential to the conservation" of that species under the Endangered Species Act?

2. If so, what part of the Constitution authorizes that sort of thing?

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED i

TABLE OF AUTHORITIES iv

INTEREST OF THE *AMICUS CURIAE* 1

INTRODUCTION AND 1

SUMMARY OF ARGUMENT 1

ARGUMENT 4

I. THE COURTS BELOW SHOULD NOT HAVE DEFERRED TO THE GOVERNMENT'S INTERPRETATION OF THE ESA 4

A. The FWS Interpretation of "Essential" Is Unreasonable 5

B. When a Statutory Construction Has Major Political and Economic Consequences, the Court Requires a Clear Statement from Congress before It Will Apply *Chevron* 8

II. THE CONSTITUTION PERMITS NEITHER CONGRESS NOR AN EXECUTIVE AGENCY TO REGULATE EITHER "MR. FILBURN'S IMPOSSIBLE FARM" OR UNIT 1 14

A. Unit 1 Is Not Habitat for the Frog, So It Is Noneconomic and Noncommercial under the ESA 14

B. The Regulation of Unit 1 Is Neither Necessary Nor Proper 17

1. The Regulation of Unit 1 Is Not Necessary 18

2. The Designation of Unit 1 Is Not Proper 20

CONCLUSION 22

TABLE OF AUTHORITIES

Page(s)

Cases

Bond v. United States,
134 S. Ct. 2077 (2014) 20

Chevron, U.S.A., Inc. v. NRDC, Inc.,
467 U.S. 837 (1984) 5, 6, 7-8

City of Arlington v. FCC,
133 S. Ct. 1863 (2013) 4

Clinton v. City of New York,
524 U.S. 417 (1998) 4

Dep't of Transp. v. Ass'n. of Am. R.R.,
135 S. Ct. 1225 (2015) 4

FDA v. Brown & Williamson Tobacco Corp.,
529 U.S. 120 (2000) 10

Gonzalez v. Oregon,
546 U.S. 243 (2006) 10

Gutierrez-Brizuela v. Lynch,
834 F.3d 1142 (10th Cir. 2016) 5

King v. Burwell,
135 S. Ct. 2480 (2015) 6, 10

McCulloch v. Maryland,
17 U.S. 316 (1819) 18, 19, 20

MCI Telecomm. Corp. v. AT&T Co.,
512 U.S. 218 (1994) 9-10

Michigan v. EPA,
135 S. Ct. 2699 (2015) 4-5, 8

Nat'l Fed'n of Indep. Bus. v. Sebelius,
567 U.S. 519 (2012) ..... *passim*

Octane Fitness, LLC v. ICON Health & Fitness, Inc.,
134 S. Ct. 1749 (2014) 6

Printz v. United States,
521 U.S. 898 (1997) 18

Raich v. Gonzales,
545 U.S. 1 (2005) 20-21

Sandifer v. U.S. Steel Corp.,
134 S. Ct. 870 (2014) 6

Solid Waste Agency of N. Cook Cty. v. U.S. Army Corps of Engineers,
531 U.S. 159 (2001) 13, 16

United States v. Comstock,
560 U.S. 126 (2010) 3, 19, 20

United States v. Lopez,
514 U.S. 549 (1995) 15, 16, 20

United States v. Morrison,
529 U.S. 598 (2000) 15-16

Utility Air Reg. Group v. EPA,
134 S. Ct. 2427 (2014) 10

Whitman v. Am. Trucking Ass'ns,
531 U.S. 457 (2001) 13

Wickard v. Filburn,
317 U.S. 111 (1942) 3, 15

Constitutional Provisions

U.S. Const. art. I, § 8 ..... 15, 17-18

TABLE OF AUTHORITIES

Page(s)

Cases

Bond v. United States,
134 S. Ct. 2077 (2014) 20

Chevron, U.S.A., Inc. v. NRDC, Inc.,
467 U.S. 837 (1984) 5, 6, 7-8

City of Arlington v. FCC,
133 S. Ct. 1863 (2013) 4

Clinton v. City of New York,
524 U.S. 417 (1998) 4

Dep't of Transp. v. Ass'n. of Am. R.R.,
135 S. Ct. 1225 (2015) 4

FDA v. Brown & Williamson Tobacco Corp.,
529 U.S. 120 (2000) 10

Gonzalez v. Oregon,
546 U.S. 243 (2006) 10

Gutierrez-Brizuela v. Lynch,
834 F.3d 1142 (10th Cir. 2016) 5

King v. Burwell,
135 S. Ct. 2480 (2015) 6, 10

McCulloch v. Maryland,
17 U.S. 316 (1819) 18, 19, 20

MCI Telecomm. Corp. v. AT&T Co.,
512 U.S. 218 (1994) 9-10

Michigan v. EPA,
135 S. Ct. 2699 (2015) 4-5, 8

Nat'l Fed'n of Indep. Bus. v. Sebelius,
567 U.S. 519 (2012) ..... *passim*

Octane Fitness, LLC v. ICON Health & Fitness, Inc.,
134 S. Ct. 1749 (2014) 6

Printz v. United States,
521 U.S. 898 (1997) 18

Raich v. Gonzales,
545 U.S. 1 (2005) 20-21

Sandifer v. U.S. Steel Corp.,
134 S. Ct. 870 (2014) 6

Solid Waste Agency of N. Cook Cty. v. U.S. Army Corps of Engineers,
531 U.S. 159 (2001) 13, 16

United States v. Comstock,
560 U.S. 126 (2010) 3, 19, 20

United States v. Lopez,
514 U.S. 549 (1995) 15, 16, 20

United States v. Morrison,
529 U.S. 598 (2000) 15-16

Utility Air Reg. Group v. EPA,
134 S. Ct. 2427 (2014) 10

Whitman v. Am. Trucking Ass'ns,
531 U.S. 457 (2001) 13

Wickard v. Filburn,
317 U.S. 111 (1942) 3, 15

Constitutional Provisions

U.S. Const. art. I, § 8 ..... 15, 17-18

Statutes

16 U.S.C. § 1532(5)(A)(i) 7-8

16 U.S.C. § 1532(5)(A)(ii) 7-8

16 U.S.C. § 1533(b)(2) 11

Regulations

81 Fed. Reg. 7414 (Feb. 11, 2016); 12-13

Final Rule, 77 Fed. Reg. 35118 (June 12, 2012) 11

Other Authorities

Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts* (2012) 6

Gary Lawson & Patricia Granger, *The "Proper Scope" of Federal Power: A Jurisdictional Interpretation of the Sweeping Clause*, 43 Duke L. J. 267 (1993) 20-21

Indus. Econ., Inc., *Economic Analysis of Critical Habitat Designation for the Dusky Gopher Frog*, http://bit.ly/2hPhQrF 11

John Marshall, A Friend to the Union No. 2, in John Marshall's Defense of McCulloch, v. Maryland (Gerald Gunther ed., 1969) 18-19

Stephen Breyer, *Judicial Review of Questions of Law and Policy*, 38 Admin. L. Rev. 363 (1986) 9

The Federalist No. 33 (Hamilton) 18

The Federalist No. 47 (Madison) 4

The Federalist No. 51 (Madison) 1, 5

William N. Eskridge Jr., *Interpreting Law: A Primer on How to Read Statutes and the Constitution* (2016) 9

INTEREST OF THE *AMICUS CURIAE*[1]

The Cato Institute is a nonpartisan public-policy research foundation established in 1977 and dedicated to advancing the principles of individual liberty, free markets, and limited government. Cato's Center for Constitutional Studies helps restore the principles of limited constitutional government that are the foundation of liberty. Toward those ends, Cato publishes books and studies, conducts conferences, and produces the annual *Cato Supreme Court Review*.

This case concerns Cato because it implicates the ability of government to burden private citizens' property rights through actions that violate the Constitution's enumeration and separation of powers.

INTRODUCTION AND SUMMARY OF ARGUMENT

The Framers created a system of government that would protect the people by limiting power of government through structural design. As Madison put it: "In the compound republic of America, the power surrendered by the people is first divided between two distinct governments, and then the portion allotted to each subdivided among distinct and separate departments. Hence a double security arises to the rights of the people." The Federalist No. 51 (Madison).

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[1] Rule 37 statement: All parties received timely notice of *amicus*'s intent to file this brief. Consents from all parties but the government are lodged with the Clerk; the solicitor general consented separately. No party's counsel authored this brief in any part and nobody but *amicus* funded its preparation or submission.

The U.S. Fish and Wildlife Service (FWS) disregarded both of these liberty-protecting structural safeguards when it designated petitioner's property (Unit 1) as "critical habitat" of the "dusky gopher frog" (Frog). While Congress has delegated the FWS power to designate critical habitat in the Endangered Species Act (ESA), that power is not unlimited. The ESA defines criteria for when the FWS may designate property as critical habitat of a listed species. This includes property that is both occupied and unoccupied, but the ESA's plain meaning still requires the property to be the species' *habitat*. Unit 1 is by no means the Frog's habitat and thus cannot be its "critical habitat."

The FWS's interpretation of what is "essential" habitat is unmoored from all bounds of reason. Thus, the FWS has interpreted—rewritten—the ESA to enlarge its power to reach property Congress never gave it power to reach. This aggrandizement of the FWS's power—and the precedent it sets for future land regulation throughout the United States—will have major economic and political consequences for landowners. The Constitution's separation of powers does not let executive agencies amend statutes in this way.

Further, if the FWS's expansive definition of "critical habitat" is deemed a valid exercise of administrative discretion, then that expansive reading of the statute goes beyond the strictures of the Commerce and Necessary and Proper Clauses. Allowing federal agencies to take jurisdiction over essentially any piece of land pursuant to the ESA would be an improper expansion of federal power into unrestrained land-use regulation, a traditional state activity. The Commerce Clause currently supports the comprehensive ESA

scheme to protect species—and critical-habitat designation can be reasonably connected to that scheme as a necessary and proper extension of the Commerce Clause. But how far can that go? Can we link one power to another in an endless "house that Jack built" until there's federal regulation of land that is *not* critical habitat? *United States v. Comstock*, 560 U.S. 126, 150 (2010) (Kennedy, J., concurring). No: the regulation of Unit 1 is neither necessary nor proper. It isn't necessary because Unit 1 doesn't play any role in the Frog's conservation, and it isn't proper because it infringes on states' sovereign regulation of land use.

The mere existence of land does not constitute "economic activity" under the Commerce Clause. Otherwise, Congress would have jurisdiction over all land in the country *qua* land, regulating the states in the same way it regulates federal enclaves. Instead, it's the activities that take place on the land, such as Mr. Filburn's farming, that determine whether Congress can regulate. *Wickard v. Filburn*, 317 U.S. 111 (1942). Roscoe Filburn was farming his land, which is what allowed Congress to regulate it. *Id.* at 114-15 The proper analogy here would be to the question whether Congress could regulate land that Mr. Filburn wasn't farming and couldn't farm—a non-habitat for wheat, if you will—pursuant to a comprehensive scheme of agricultural regulation. Such a regulation of "Mr. Filburn's Impossible Farm" would be both unnecessary and improper, just as the regulation of Unit 1 is here.

In sum, the district court and Fifth Circuit sanctioned a rewriting of the ESA when it granted *Chevron* deference to the FWS. The Court should take this case and reaffirm that the federal government cannot disregard the Constitution's structural limits.

ARGUMENT

I. THE COURTS BELOW SHOULD NOT HAVE DEFERRED TO THE GOVERNMENT'S INTERPRETATION OF THE ESA

The "accumulation of all powers, legislative, executive, and judiciary, in the same hands . . . may justly be pronounced the very definition of tyranny." The Federalist, No. 47 (Madison). To protect against this accumulation of power, the Constitution vests distinct powers in three separate branches, *see Dep't of Transp. v. Ass'n. of Am. R.R.*, 135 S. Ct. 1225, 1240 (2015) (Thomas, J., concurring in the judgment), and each branch has "the necessary constitutional means and personal motives to resist encroachments of the others." The Federalist, No. 51 (Madison). This Court has confirmed these basic maxims repeatedly. *See, e.g., Clinton v. City of New York*, 524 U.S. 417, 450 (1998) (Kennedy, J., concurring) ("Liberty is always at stake when one or more of the branches seek to transgress the separation of powers.").

Yet administrative agencies like the FWS regularly evade many of these constitutional checks and wield vast power "over our economic, social, and political activities." *City of Arlington v. FCC*, 133 S. Ct. 1863, 1878 (2013) (Roberts, C.J., dissenting) (citations omitted). Many observers, including members of this Court, believe that *Chevron* deference is plays a big part in this breakdown in constitutional design. *See e.g., Michigan v. EPA*, 135 S. Ct. 2699, 2712 (2015) (Thomas, J., concurring) ("Interpreting federal statutes—including ambiguous ones administered by an agency—calls for . . . exercise of independent judgment. *Chevron* deference precludes judges from exercising that judgment, forcing them to abandon what

they believe is the best reading of an ambiguous statute in favor of an agency's construction.") (internal quotation marks and citation omitted); *Gutierrez-Brizuela v. Lynch*, 834 F.3d 1142, 1149 (10th Cir. 2016) (Gorsuch, J., concurring) (noting that judicial deference doctrines "permit executive bureaucracies to swallow huge amounts of core judicial and legislative power and concentrate federal power in a way that seems more than a little difficult to square with the Constitution of the framers' design.").

Neither petitioners nor *amicus* ask the Court to overturn *Chevron* here. By ignoring key parts of the ESA in regulating Unit 1 as the Frog's "essential" critical habitat, however, the FWS stretched an already overextended *Chevron* past its limits. The lower courts then abdicated their responsibility to enforce the limits of deference, demonstrating how deference to agencies frustrates the separation of powers. It is all the more important for the Court to take this case and ensure that lower courts apply the doctrine properly.

A. The FWS Interpretation of "Essential" Is Unreasonable

While the Court has allowed Congress wide latitude in delegating its authority to executive agencies, it is also axiomatic that, for *Chevron* deference to apply, a court must first review an agency's construction of the statute to determine whether Congress has directly spoken to the precise question at issue. Because, "[i]f the intent of Congress is clear, that is the end of the matter; for the court, as well as the agency, must give effect to the unambiguously expressed intent of Congress." *Chevron, U.S.A., Inc. v. NRDC, Inc.*, 467 U.S. 837, 842-843 (1984). Otherwise, administrative agencies would be unconstitutionally making law.

The reviewing court must use "traditional tools of statutory construction," *Chevron*, 467 U.S. at 843 n.9, to determine whether a statute is ambiguous. This Court has repeatedly held that "in all statutory construction, unless otherwise defined, words will be interpreted as taking their ordinary, contemporary, common meaning." *Octane Fitness, LLC v. ICON Health & Fitness, Inc.*, 134 S. Ct. 1749, 1756 (2014) (citation, brackets, and internal quotation marks omitted); *see also, Sandifer v. U.S. Steel Corp.*, 134 S. Ct. 870, 876 (2014) (noting that applying the plain-meaning rule is a "fundamental canon of statutory construction"). Furthermore, the ordinary meaning of the statutory text is found not only through the words of the statute, but also through the context in which those words are used within the statutory framework. *See* Pet. App. at C-20; *See also, King v. Burwell*, 135 S. Ct. 2480, 2489 (2015) ("[O]ftentimes the meaning . . . of certain words or phrases may only become evident when placed in context . . . [so] we must read the words in their context and with a view to their place in the overall statutory scheme. Our duty, after all, is to construe statutes, not isolated provisions.") (internal quotation marks and citations omitted); Antonin Scalia & Bryan A. Garner, *Reading Law: The Interpretation of Legal Texts* 167 (2012) ("The text must be construed as a whole.").

Both the district court and panel majority below ignored the context in which the ESA defines "critical habitat." The ESA defines critical *habitat* in two ways:

> (i) the specific areas within the geographical area occupied by the species, at the time it is listed in accordance with the provisions of section 1533 of this title, on which are found those physical or biological features (I) *essential to the*

> *conservation of the species* and (II) which may require special management considerations or protection; and
>
> (ii) specific areas outside the geographical area occupied by the species at the time it is listed in accordance with the provisions of section 1533 of this title, upon a determination by the Secretary that such areas are *essential for the conservation of the species*.

16 U.S.C. § 1532(5)(A)(i)–(ii) (emphasis added). While both definitions are distinct in that both identify different subsets of land—occupied and unoccupied—they have something very important in common: both require the designated property to be *habitat* of the species. It is then, and only then, that habitat can become critical. *See* Pet. Brief at 18-24; *see also* Pet App. C-11-23. By reading out this "habitability requirement"—one of the key limiting features of the ESA—the courts below have turned this provision of the statute into little more than a blank slate for the FWS to fill in its jurisdiction.

If the panel majority and district court below would have adhered to these foundational principles of statutory construction, this case could have been easily disposed of by simply interpreting the text, context, and structure of the ESA. But both courts below focused on a narrow provision of the ESA to find ambiguity—and, in the process, sanctioned a definition of "essential" that went beyond any bounds of reason.

Chevron mandates that courts accept an agency's reasonable construction of an ambiguity in a statute that the agency is responsible for administering. *Chev-*

ron, U.S.A., Inc., 467 U.S. at 842-843. But, "[e]ven under this deferential standard . . . agencies must operate within the bounds of reasonable interpretation." *Michigan*, 135 S. Ct. at 2707 (internal quotation marks and citation omitted).

The government argues—and both courts below upheld—that the term "essential" in the ESA gives it authority to regulate private land that is neither occupied by the Frog nor contains the essential features necessary for the species to occupy the land. *See* Pet. Brief at 22. But how can something with no connection to a species be "essential"? As the petitioners, the en banc dissent, and the panel dissent point out, this is simply an implausible reading of the statutory text—and any definition of the word "essential." *See id.*; *see also* Pet. App at C-21-22; Pet. App. at A-57-59 (noting that the FWS's interpretation of "essential" "goes beyond the boundaries of what 'essential' can reasonable be interpreted to mean."). If the FWS is free to define private land as "essential" for the conservation of a species when that land is "not near areas inhabited by the species; it is not accessible to the species; it cannot sustain the species without modification; and does not support the existence or conservation of the species in any way[,]"there is simply no meaningful limit on the jurisdiction of the FWS under the ESA. *See* Pet. Brief at 23; Pet. App. at C-31-38, A-51-52.

B. When a Statutory Construction Has Major Political and Economic Consequences, the Court Requires a Clear Statement from Congress before It Will Apply *Chevron*

This case could have—and should have—been easily resolved by simply applying the text of the ESA to strike down the FWS's regulation of Unit 1. Deference

under *Chevron* should have never applied to the FWS's regulation because the statute's plain meaning is clear, and the FWS's interpretation of "essential" is unreasonable. But there is another fundamental reason this Court should take this case and overrule the lower court's application of *Chevron*: if the ESA allows the FWS to define private land that has—at best—hypothetical *de minimis* connection to the species as "essential," Congress would have made that clear.

When determining whether to apply *Chevron* deference to agency interpretations of statutes, this Court has withheld deference where the agency is regulating beyond mere "interstitial matters" without clear congressional approval. In these situations, non-delegation is presumed because Congress is "more likely to have focused upon, and answered, major questions." Stephen Breyer, *Judicial Review of Questions of Law and Policy*, 38 Admin. L. Rev. 363, 370 (1986); *see also*, William N. Eskridge Jr., *Interpreting Law: A Primer on How to Read Statutes and the Constitution* 288 (2016) ("[The] Supreme Court has carved out a potentially important exception to delegation, the major questions cannon. Even if Congress has delegated an agency general rulemaking or adjudicatory power, judges presume that Congress does not delegate its authority to settle or amend major social and economic policy decisions.").

Several of this Court's precedents have confirmed this "major questions" doctrine over the past 25 years:

- *MCI Telecomm. Corp. v. AT&T Co.*, 512 U.S. 218, 231 (1994) (withholding deference where it was "highly unlikely that Congress would leave the determination of whether an industry will

be entirely, or even substantially, rate-regulated to agency discretion.").

- *FDA v. Brown & Williamson Tobacco Corp.*, 529 U.S. 120, 160 (2000) (withholding deference where the Court was "confident that Congress could not have intended to delegate a decision of such economic and political significance to an agency in so cryptic a fashion").
- *Gonzalez v. Oregon*, 546 U.S. 243, 267 (2006) (withholding deference because "[t]he idea that Congress gave the Attorney General such broad and unusual authority through an implicit delegation in the [Controlled Substances Act]'s registration provision is not sustainable").
- *Utility Air Reg. Group v. EPA*, 134 S. Ct. 2427, 2444 (2014) ("When an agency claims to discover in a long extant statute an unheralded power to regulate a significant portion of the American economy, we typically greet its announcement with a measure of skepticism. [The Court] expect[s] Congress to speak clearly if it wishes to assign to an agency decision of vast economic and political significance.") (internal quotations and citations omitted).
- *King v. Burwell*, 135 S. Ct. 2480, 2483 (2015) (withholding deference and holding that where the issue was "a question of deep economic and political significance; had Congress wished to assign that question to an agency, it surely would have done so expressly.").

While there has been no set standard for when this "major questions" principle applies, from these cases a

broad theme in which deference to an agency interpretation is inappropriate has emerged. Thus, where a regulation implicates questions of "vast economic or political significance," or where an agency is trying to aggrandize its power though new interpretations of long standing statutory provisions to effectuate an enormous and transformative expansion of the agency's regulatory authority, and Congress has not clearly spoken, deference should be withheld. This case is the poster-child for applying this doctrine.

The ESA requires the FWS to conduct a cost-benefit analysis and "take into consideration the economic impact . . . of specifying any particular area as critical habitat[.]" 16 U.S.C. § 1533(b)(2). During the FWS analysis of Unit 1, it considered "lost economic efficiency associated with residential and commercial development and public projects and activities." Final Rule, 77 Fed. Reg. 35118 (June 12, 2012). After concluding its analysis, the government recognized the Unit 1 landowners "have invested a significant amount of time and dollars into their plans to develop this area." Indus. Econ., Inc., *Economic Analysis of Critical Habitat Designation for the Dusky Gopher Frog*, http://bit.ly/2hPhQrF (last visited August 1, 2017); Pet. Brief at 11-12. This regulation alone, the FWS found, could cost the Unit 1 landowners $33.9 million over 20 years. *See id.* at 4-3, 4-4, 4-7 (¶¶ 73-77, 87); Pet. Brief at 13.

If the regulation of one small area in Louisiana could have an economic impact of $33.9 million to one set of landowners, one can only imagine how many billions of dollars this could cost landowners in the aggregate. Indeed, if the FWS definition of "essential" stands—that private land only needs to contain one of

a multitude of possible "primary constituent elements" (PCEs)—then vast portions of the country's private land will be subject to prohibitive devaluation. *See* Pet. Brief at 33; *see also*, Pet. App at C-36 (noting that the panel majority's decision gives the government "virtually limitless" power to regulate private land as critical habitat); Pet. App. at A-57 ("The Government's, and the majority opinion's, interpretation of 'essential' means that virtually any part of the United States could be designated as "critical habitat."). This is because, as the Fifth Circuit en banc dissent points out, there is an extensive list of PCEs that could potentially subject private land—which traditionally is regulated by state governments—to federal regulation.

These potential PCEs include, but are not limited to: "individual trees with potential nesting platforms," "forested areas within 0.5 mile[s] . . . of individual trees with potential nesting platforms," "aquatic breeding habitat," "upland areas," and "natural light regime[s] within the coastal dune ecosystem." Pet. App. at C-37. Further, by allowing the FWS to use only one of these PCEs to designate private land, "there is no obstacle to the Service claiming critical habitat wherever 'forested areas' or 'a natural light regime' exist." *Id.* Under the FWS interpretation of the ESA, "the Service has the authority to designate as critical habitat any land unoccupied by and incapable of being occupied by a species simply because it contains one of those features." *Id.* At bottom, this aggrandizing interpretation "threatens to expand the Service's power in an 'unprecedented and sweeping' way." *Id.* This is not some parade of horribles argument. Indeed, the government, after the Fifth Circuit's decision, has now codified this single PCE standard into a generally applicable rule to list land as critical habitat. *See Listing Endangered*

and Threatened Species and Designating Critical Habitat; Implementing Changes to the Regulations for Designating Critical Habitat, 81 Fed. Reg. 7414, 7427 (Feb. 11, 2016); Pet. Brief at 36.

This unprecedented power grab allows the federal government to expand its jurisdiction to regulate private land by interpreting a single word—"essential"—in a statute that has been on the books for over forty-years. Has this power just been dormant all that time? If so, this is truly an "elephant" hiding in a "mousehole." *See Whitman v. Am. Trucking Ass'ns*, 531 U.S. 457, 468 (2001) ("Congress, we have held, does not alter the fundamental details of a regulatory scheme in vague terms or ancillary provisions—it does not . . . hide elephants in mouseholes."); *Solid Waste Agency of N. Cook Cty. v. U.S. Army Corps of Engineers*, 531 U.S. 159, 172 (2001) (SWANCC) ("Where an administrative interpretation of a statute invokes the outer limits of Congress' power, we expect a clear indication that Congress intended that result.").

Whether the FWS ignores or reinterprets key ESA terms to reach patently non-covered private property, what it's really doing is creating an expansive new law that Congress never passed. By sanctioning this aggrandizement of the agency's power in a 40-year-old statute, the courts below have allowed the executive branch to effectively rewrite the ESA. This will have major economic and political consequences for private property owners in this country.

II. THE CONSTITUTION PERMITS NEITHER CONGRESS NOR AN EXECUTIVE AGENCY TO REGULATE EITHER "MR. FILBURN'S IMPOSSIBLE FARM" OR UNIT 1

As mentioned *supra*, "Mr. Filburn's Impossible Farm" is a hypothetical piece of land that Mr. Filburn of *Wickard v. Filburn* fame doesn't farm and can't farm. Similarly, Unit 1 is a piece of "critical habitat" that the Frog doesn't live on and "cannot sustain the species without modification." Pet. Brief at 23. Both pieces of land are outside Congress's jurisdiction under the Commerce and Necessary and Proper Clauses.

The FWS interpretation of the ESA does not just stretch *Chevron* to the breaking point, it oversteps constitutional limits. An agency's interpretation of a statute passed pursuant to the Commerce and Necessary and Proper Clauses is of course cabined by those clauses' reach. Just as it would be improper to allow an agency to interpret the statutory phrase "essential to health care" as to allow for a regulatory individual mandate, *Nat'l Fed'n of Indep. Bus. (NFIB) v. Sebelius*, 567 U.S. 519, 559-61 (2012), it would be improper to allow the FWS to interpret "essential to the conservation of the species" as to allow the regulation of land that is not in fact habitat.

A. Unit 1 Is Not Habitat for the Frog, So It Is Noneconomic and Noncommercial under the ESA

The ESA regulates land and activities that are necessarily and properly connected to the central object of the statute: the species themselves. The ESA cannot constitutionally reach beyond those limits. Otherwise,

it would be a general land-use-regulation statute, unmoored from any constitutional foundations. Unit 1 is not habitat for the Frog. It is thus beyond the ESA's regulatory reach under the Commerce and Necessary and Proper Clauses. That's not to say that Unit 1 couldn't be regulated by a different act of Congress—perhaps it could—but a different act of Congress is not before this Court. For the same reasons that the Agricultural Adjustment Act of 1938 could not constitutionally reach Mr. Filburn's Impossible Farm, the ESA cannot reach Mr. Frog's Impossible Habitat.

The Constitution allows Congress to "regulate Commerce . . . among the states" U.S. Const. art. I, § 8, as well as do those things "necessary and proper for carrying into Execution" the power to regulate commerce. U.S. Const. art. I, § 8, cl. 18. While this Court has broadly construed this power, *see, e.g.*, *Wickard v. Filburn*, 317 U.S. 111 (1942), the clause has limits. This Court made that clear in *Lopez*. In that case, the Court outlined "three broad categories of activity that Congress may regulate under its commerce power." *United States v. Lopez*, 514 U.S. 549, 558-59 (1995). These categories include: 1) the regulation of the channels of interstate commerce; 2) the regulation of the instrumentalities of, objects in, and persons engaged in interstate commerce; and 3) the regulation of activities that have substantial effects on interstate commerce. *Id.* Focusing on prong three, the *Lopez* majority struck down a federal statutory provision banning the mere possession of a gun in a school zone, holding that the "possession of a gun in a local school zone is in no sense an economic activity that might, through repetition elsewhere, substantially affect any sort of interstate commerce." *Id.* at 567; *see also*, *United States v. Morrison*, 529 U.S. 598, 613 (2000) (overturning the

Violence Against Women Act because "[g]ender-motivated crimes of violence are not, in any sense of the phrase, economic activity."). Thus, the connection between the regulated intrastate "activity" and interstate commerce must be "economic." *See id*; *see also*, *NFIB*, 567 U.S. at 550 (2012) ("The power to regulate commerce presupposes the existence of commercial activity to be regulated.").

A piece of land's mere existence does not constitute "economic activity" under the Commerce Clause. Otherwise, the Constitution would allow comprehensive land-use regulation without any connection to interstate commerce. As the Court said—or at least strongly implied—in *SWANCC*, 531 U.S. 159, merely using property, with little connection to interstate commerce, is not regulable economic activity under the Commerce Clause. In that case, similar to what the FWS has done here, the U.S. Army Corps of Engineers (Corps) claimed jurisdiction over non-federal property (an abandoned gravel and sand pit with permanent and seasonal ponds) as a "water of the United States" due to the presence of migratory birds. In avoiding the constitutional question, this Court operated under the "assumption that Congress does not casually authorize administrative agencies to interpret a statute to push the limit of congressional authority" by allowing the Corps to claim "jurisdiction over petitioner's land because it contains water areas used as habitat" by migratory waterfowl and nothing more. *Id.* at 172-73, 173; Pet. Brief at 37. The Court was concerned that "[p]ermitting respondents to claim federal jurisdiction over ponds and mudflats falling within the 'Migratory Bird Rule' would result in a significant impingement of the States' traditional and primary power over land and water use." *SWANCC*, 531 U.S. at 174.

The FWS claim of jurisdiction over Unit 1 is similarly expansive in that it seeks jurisdiction over something that is not economic activity. Even if land use alone could be considered economic activity, it would not have a substantial effect on interstate commerce because that commerce—the Frog, the original object of regulation—has no connection to Unit 1: the land is "not near areas inhabited by the species; cannot sustain the species...and does not play any supporting role in the existence of the current habitat for the species." Pet. App. at C-31-38; A-51-52.

Apparently recognizing this flaw in the FWS jurisdictional claim, the district court and Fifth Circuit relied on the comprehensive-scheme approach to uphold the regulation of Unit 1. *See* Pet. App. at A-40. But the comprehensive scheme test has never been used to regulate *non*economic, *non*commercial activity that might have an effect on interstate commerce such as land use in general. *See, e.g., NFIB*, 567 U.S. at 548-61 (holding that the comprehensive Affordable Care Act did not authorize the individual insurance mandate as regulation of noneconomic, noncommercial activity under the commerce power). If the government has that power, the Necessary and Proper Clause is the only constitutional provision that allows it—but neither of the courts below addressed that clause in any detail.

B. The Regulation of Unit 1 Is Neither Necessary Nor Proper

Under the Constitution, Congress can "make all Laws which shall be necessary and proper for carrying into Execution" its enumerated powers. Art. I, § 8, cl. 18. Although "this power gives Congress authority to legislate on that vast mass of incidental powers which must be involved in the constitution, it does not license

the exercise of any great substantive and independent power[s] beyond those specifically enumerated." *NFIB*, 567 U.S. at 559 (internal quotation marks and citations omitted). Instead, it is "merely a declaration, for the removal of all uncertainty, that the means of carrying into execution those [powers] otherwise granted are included in the grant." *Id.*

As this Court noted in *NFIB*, its jurisprudence under this clause has been "very deferential to Congress's determination that a regulation is 'necessary,'" but it has also "carried out [its] responsibility to declare unconstitutional those laws that undermine the structure of government established by the Constitution." *Id.* "Such laws," moreover, "which are not consist[ent] with the letter and spirit of the constitution, are not proper [means] for carrying into execution Congress's enumerated powers." *Id.* And when these laws are not in that spirit, the Court noted, they are, "in the words of The Federalist, 'merely acts of usurpation' which 'deserve to be treated as such.'" *Id.* (citing *Printz v. United States*, 521 U.S. 898, 924 (1997) (quoting The Federalist No. 33, at 204 (Hamilton)).

1. The Regulation of Unit 1 is Not Necessary

In *McCulloch*, the first case to address is the meaning of the Necessary and Proper Clause. Chief Justice John Marshall's opinion outlined a broad definition of necessity that later courts would take to mean "convenient, or useful." *McCulloch v. Maryland*, 17 U.S. 316, 413 (1819). In responding to critics of his opinion, however, Marshall denied that this was the case: "The court does not say that the word 'necessary' means whatever may be 'convenient' or 'useful.' And when it uses 'conducive to,' that word is associated with others

plainly showing that no remote, no distant conduciveness to the object, is in the mind of the court." John Marshall, A Friend to the Union No. 2, in John Marshall's Defense of McCulloch, v. Maryland 78, 100 (Gerald Gunther ed., 1969). Nevertheless, the broad, deferential interpretation of "necessary" has held its ground. *See NFIB*, 567 U.S. at 558-60.

But members of this Court have questioned that construction of necessity. In his concurring opinion in *Comstock*, Justice Alito objected to the Court's abdication of its judicial duty to fully analyze what "necessity" consists of: "Although the term 'necessary' does not mean 'absolutely necessary' or indispensable, the term requires an 'appropriate' link between a power conferred by the Constitution and the law enacted by Congress. . . . And it is an obligation of this Court to enforce compliance with that limitation.'" *Comstock*, 560 U.S. at 158 (2010) (Alito, J. concurring) (quoting *McCulloch*, 17 U.S. at 415); *see also*, *id* at 152 (Kennedy, J. concurring) (concluding that the necessary prong of the Necessary and Proper analysis "can be put into a verbal formulation that fits somewhere along a causal chain of federal powers . . . the Constitution does require the invalidation of congressional attempts to extend federal powers in some instances.").

Nevertheless, even if the test gives great deference to Congress's power, this case does not pass muster. Indeed, there is absolutely no need to regulate Unit 1 to preserve the ESA or any of the species it protects, much less a necessary one. It would not be "useful" or "convenient" to regulate Unit 1, because it plays "no part in the conservation" of the Frog. *See* Pet. App. at A-51. Moreover, Unit 1's "biological and physical char-

acteristics will not support a dusky gopher frog population." *Id*; *see also id.* at C-4 ("The panel opinion...approved an unauthorized extension of ESA restrictions to 1,500 acre-plus Louisiana land tract that is neither occupied by nor suitable for occupation by nor connect in any way to the [dusky gopher frog]."). Thus, for the very same reason that the FWS statutory interpretation of "essential" is problematic—as applied to Unit 1, or any other land with attenuated connection to a species—the idea that it is necessary to regulate Unit 1 to protect the Frog is equally so.

2. The Designation of Unit 1 Is Not Proper

McCulloch also addressed the propriety prong of the Necessary and Proper Clause. The means used to carry out incidental powers "may not be otherwise 'prohibited' and must be 'consistent with the letter and spirit of the constitution.'" *McCulloch*, 17 U.S. at 421. Thus, this analysis must consider whether the law—or in this case, the regulation—infringes on state sovereignty. *See Bond v. United States*, 134 S. Ct. 2077, 2101 (2014) (Scalia, J., concurring) ("No law that flattens the principle of state sovereignty, whether or not 'necessary,' can be said to be 'proper.'"); *Comstock*, 560 U.S. at 155 (Kennedy, J., concurring) (noting "[n]or is [this] a case in which the exercise of national power intrudes upon functions and duties traditionally committed to the State" in upholding the law as proper.) (citing *Lopez*, 514 U.S. at 580-581); *Raich v. Gonzales*, 545 U.S. 1, 39 (2005) (Scalia, J., concurring) ("[A law is not] proper for carrying into Execution the Commerce Clause [w]hen [it] violates [a constitutional] principle of state sovereignty.") (internal quotation marks and citation omitted); *see also* Gary Lawson & Patricia

Granger, *The "Proper Scope" of Federal Power: A Jurisdictional Interpretation of the Sweeping Clause*, 43 Duke L. J. 267, 301- 08 (1993).

If this regulation, and the precedent it sets, stands, much of private land in this country is potentially subject to federal regulation. As has been pointed out, the single PCE rule gives the federal government almost "limitless power" to "regulate private, state, and local land and water resources for species conservation without regard to established constitutional limits on federal power." Pet. Brief at 33. That's because almost any land or water will contain at least one of the PCEs the FWS uses to evaluate critical habitat. Judge Owen's warning in dissent from the Fifth Circuit's majority opinion bears repeating:

> The Government's, and the majority opinion's, interpretation of "essential" means that virtually any part of the United States could be designated as "critical habitat" for any given endangered species so long as the property could be modified in a way that would support introduction and subsequent conservation of the species on it.

Pet. App. at A-57. Thus, through this regulation—and the forthcoming regulations that will no doubt come from the new generally applicable power that this regulation creates—the federal government will continue to impinge on the states' traditional police power to regulate land and water use. To say the least, that's not a proper means of carrying into execution the commerce power.

CONCLUSION

The FWS regulation at issue here goes beyond any power Congress has delegated it under the ESA. Even if the Constitution allows such expansive delegations, they must be cabined by courts exercising their duty to police agencies when they step outside of the statute. This is especially true when the agency oversteps statutory bounds into unconstitutional territory. Mr. Filburn's Impossible Farm and Mr. Frog's Impossible Habitat are both outside Congress's regulatory authority. This case represents significant disregard for the Constitution's separation of powers and enumerated powers, and thus warrants this Court's review.

Respectfully submitted,

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